

NATIONAL DAIRY MARKET AT A GLANCE

CHICAGO MERCANTILE EXCHANGE (CME) CASH MARKETS (11/5):
BUTTER: Grade AA closed at \$1.1000. The weekly average for Grade AA is \$1.0933(+.0258).

CHEESE: Barrels closed at \$1.1550 and blocks at \$1.1600. The weekly average for barrels is \$1.1930 (-.0450) and blocks, \$1.2150 (-.0485).

NONFAT DRY MILK: Extra Grade and Grade A closed at \$1.0300. The weekly average for Extra Grade is \$1.0300 (N.C.) and Grade A, \$1.0300 (N.C.).

BUTTER: Cream supplies are readily available and much of it is entering the churns. September U.S. output of butter totaled 78.8 million pounds, up 15.5% from last year. Cumulative output for the first nine months of the year totals 866.2 million pounds, up 8.8% from the same period in 1998. The market continues to be unsettled with prices moving both up and down. In the last three weeks, prices declined 14 1/2 cents and rose 16 1/2 cents. Contacts are somewhat surprised at the volatility because of the heavy production and stocks still in the cold storage warehouses. Demand is rated as very good for food service orders and building for retail, but offerings remain fully adequate.

CHEESE: The cheese market is weak. Some discussions have occurred over the likelihood that market prices may reach the CCC price support purchase prices of \$1.10 for blocks and \$1.07 barrels. Orders for Thanksgiving use need to be moving through the marketing channels at this time. Natural interest is steady to improved at relatively good levels. Process interest is steady at best at slow to moderate movement. Cheese production is seasonally active and cheese yields continue to improve. Cumulative U.S. output for the first 9 months of 1999 compared to the comparable period in 1998 for selected varieties are: cheddar 2.14 billion pounds, up 156.4 million pounds (7.9%); mozzarella 1.874 billion pounds, up 127.3 million pounds (7.3%), and total cheese 5.897 billion pounds, an increase of 331.9 million pounds (6.0%) or more than 1 pound per capita.

FLUID MILK: Milk production is strong in the South and Northern Mountain states. In the Northeast, volumes are reaching annual lows at production levels above last year. Cold and wet weather across the Northern half of the country is slowing pasture growth and encouraging feed usage. Class I demand is steady with some improved interest from first of the month activity. Class II demand is slow as higher prices tend to divert buying interest. Cream demand is mixed as the trade moves away from ice cream to seasonal egg nog, sour cream, and cream cheese production. Butter producers are searching for good deals on cream as churning activity increases. Cream prices moved higher due to an increase in the weekly average CME AA butter price. Multiples in the East are unchanged to lower. The courtroom battles continue in determining November Class 1 prices in California. Last week, the Milk

Producers Council of California (MPC) filed a lawsuit in a California Court seeking to stay the order by the California Department of Food and Agriculture (CDFA) that would lower Class 1 prices paid to farmers in California by 57 cents per hundredweight. The judge granted a stay and scheduled a December 10 hearing. On November 2, CDFA sought to lift the stay and this was granted because of a technicality in the MPC suit. Then, on November 3, arguments were reheard and, a day later, the stay was reinstated.

DRY PRODUCTS: Dry product prices are trending lower on steady to weak markets. Increases in the milk supply are encouraging NDM production. Producers are not seeing an increased interest from condensed skim buyers. Inventories are building with DEIP sales, regular commitments, and the support program providing a moderate NDM demand. Buttermilk prices in the Midwest and East are unchanged. In the West, prices are lower. Sales are becoming more negotiable as churning activity increases. Whey prices are mostly unchanged. Export activity remains good. A reverse in price trends with West prices above Central has some traders talking. Lactose and WPC markets are unchanged with some increased interest in first quarter negotiations.

CCC: During the week of November 1-5, net purchases totaled 1,103,754 pounds of NDM Western sources. Purchases included 988,013 pounds of nonfortified and 115,741 pounds of fortified NDM.

BASIC FORMULA PRICE (DAIRY PROGRAMS): The basic formula price (BFP) for October 1999 is \$11.49 per cwt. at 3.5% test. The October BFP is \$4.77 cents lower than last month and \$4.55 less than October 1998. This is the largest decline since the \$6.00 loss in February 1999. The BFP is the base month M/W price of \$15.09 plus a change of \$-3.60, which is the change in the butter/powder/cheese formula from September to October. For October 1999, the NASS average cheese price was \$1.4388. The butterfat differential is \$0.110. Class III-A prices are: for Federal Orders 1 & 2, \$11.84; for Order 4, \$11.86; for Orders 124, 131, & 135, \$11.61; and for other affected orders, \$11.78.

SEPTEMBER 1999 DAIRY PRODUCTS (NASS): Butter production was 78.8 million pounds in September, 15.5% above September 1998 and 19.2% above August 1999. American type cheese production totaled 284 million pounds, 15.8% above September 1998 but 3.7% below August 1999. Total cheese output (excluding cottage cheese) was 640 million pounds, 9.5% above September 1998 but 1.8% below August 1999. Nonfat dry milk production, for human food, totaled 88.9 million pounds, up 42.7% from September 1998 but 10.6% below August 1999. Dry whey production, for human food, totaled 88.6 million pounds, up 6.6% from September 1998 and 4.0% higher than August 1999.

****SPECIALS THIS ISSUE****

OCTOBER MONTHLY AVERAGES AND SUMMARY (PAGES 7-9)

OCTOBER DEIP SUMMARY (PAGE 10)

**CHICAGO MERCANTILE EXCHANGE
CASH TRADING**

CHEESE: carload = 40,000-44,000 lbs., NONFAT DRY MILK: carlot = 42,000-45,000 lbs., BUTTER: carlot = 40,000-43,000 lbs.

PRODUCT	MONDAY NOVEMBER 1	TUESDAY NOVEMBER 2	WEDNESDAY NOVEMBER 3	THURSDAY NOVEMBER 4	FRIDAY NOVEMBER 5	WEEKLY CHANGE*	WEEKLY AVERAGE#
CHEESE BARRELS	\$1.2200 (-.0100)	\$1.2125 (-.0075)	\$1.1975 (-.0150)	\$1.1800 (-.0175)	\$1.1550 (-.0250)	-.0750	\$1.1930 (-.0450)
40# BLOCKS	\$1.2500 (-.0100)	\$1.2400 (-.0100)	\$1.2275 (-.0125)	\$1.1975 (-.0300)	\$1.1600 (-.0375)	-.1000	\$1.2150 (-.0485)
NONFAT DRY MILK EXTRA GRADE	\$1.0300 (N.C.)	\$1.0300 (N.C.)	\$1.0300 (N.C.)	\$1.0300 (N.C.)	\$1.0300 (N.C.)	N.C.	\$1.0300 (N.C.)
GRADE A	\$1.0300 (N.C.)	\$1.0300 (N.C.)	\$1.0300 (N.C.)	\$1.0300 (N.C.)	\$1.0300 (N.C.)	N.C.	\$1.0300 (N.C.)
BUTTER GRADE AA	\$1.0900 (+.0350)	-----	\$1.0900 (N.C.)	-----	\$1.1000 (+.0100)	+.0450	\$1.0933 (+.0258)

*Sum of daily changes. # Weekly averages are simple averages of the daily closing prices for the calendar week. Computed by Dairy Market News for informational purposes. This data is available on the Internet at WWW.AMS.USDA.GOV/MARKETNEWS.HTM **NOTICE: The CME will trade dairy commodities on Veteran's Day, Thursday, November 11.**

CHICAGO MERCANTILE EXCHANGE

MONDAY, NOVEMBER 1, 1999

CHEESE -- SALES: 1 CAR 40# BLOCKS @ \$1.2500; BIDS UNFILLED: NONE; OFFERS UNCOVERED: 8 CARS BARRELS: 1 @ \$1.2200, 7 @ \$1.2300; 4 CARS 40# BLOCKS: 1 @ \$1.2500, 1 @ \$1.2575, 2 @ \$1.2600
 NONFAT DRY MILK -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE
 BUTTER -- SALES: 20 CARS GRADE AA: 1 @ \$1.0550, 1 @ \$1.0525, 1 @ \$1.0350, 1 @ \$1.0425, 1 @ \$1.0400, 1 @ \$1.0450, 2 @ \$1.0525, 2 @ \$1.0550, 1 @ \$1.0625, 1 @ \$1.0600, 1 @ \$1.0650, 1 @ \$1.0700, 1 @ \$1.0725, 1 @ \$1.0750, 1 @ \$1.0775, 1 @ \$1.0800, 1 @ \$1.0850, 1 @ \$1.0950; BIDS UNFILLED: 5 CARS GRADE AA: 1 @ \$1.0825, 1 @ \$1.0525, 1 @ \$1.0350, 1 @ \$1.0000, 1 @ \$0.7500; OFFERS UNCOVERED: 4 CARS GRADE AA: 1 @ \$1.0900, 1 @ \$1.0925, 1 @ \$1.0950, 1 @ \$1.1000

TUESDAY, NOVEMBER 2, 1999

CHEESE -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: 4 CARS BARRELS: 1 @ \$1.2125, 1 @ \$1.2275, 2 @ \$1.2300; 6 CARS 40# BLOCKS: 1 @ \$1.2400, 1 @ \$1.2425, 1 @ \$1.2500, 3 @ \$1.2650
 NONFAT DRY MILK -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE

WEDNESDAY, NOVEMBER 3, 1999

CHEESE -- SALES: 4 CARS 40# BLOCKS: 3 @ \$1.2375, 1 @ \$1.2300; BIDS UNFILLED: NONE; OFFERS UNCOVERED: 5 CARS BARRELS: 1 @ \$1.1975, 4 @ \$1.2125, 13 CARS 40# BLOCKS: 1 @ \$1.2275, 2 @ \$1.2325, 1 @ \$1.2350, 5 @ \$1.2375, 4 @ \$1.2400
 NONFAT DRY MILK -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE
 BUTTER -- SALES: NONE; BIDS UNFILLED: 5 CARS GRADE AA @ \$1.0000; OFFERS UNCOVERED: NONE

THURSDAY, NOVEMBER 4, 1999

CHEESE -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: 5 CARS BARRELS: 1 @ \$1.1800, 4 @ \$1.1975; 7 CARS 40# BLOCKS: 1 @ \$1.1975, 1 @ \$1.2025, 1 @ \$1.2175, 1 @ \$1.2200, 1 @ \$1.2225, 1 @ \$1.2250, 1 @ \$1.2275
 NONFAT DRY MILK -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: 1 CAR EXTRA GRADE @ \$1.0300; 1 CAR GRADE A @ \$1.0300

FRIDAY, NOVEMBER 5, 1999

CHEESE -- SALES: 1 CAR BARRELS @ \$1.1750; BIDS UNFILLED: NONE; OFFERS UNCOVERED: 5 CARS BARRELS: 1 @ \$1.1550, 4 @ \$1.1800; 11 CARS 40# BLOCKS: 2 @ \$1.1600, 1 @ \$1.1900, 1 @ \$1.1925, 2 @ \$1.1950, 5 @ \$1.1975
 NONFAT DRY MILK -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE
 BUTTER -- SALES: 3 CARS GRADE AA: 1 @ \$1.0650, 1 @ \$1.0875, 1 @ \$1.0900; BIDS UNFILLED: 7 CARS GRADE AA: 1 @ \$1.1000, 5 @ \$1.0000, 1 @ \$0.7500; OFFERS UNCOVERED: 6 CARS GRADE AA: 1 @ \$1.1075, 5 @ \$1.1500

BUTTER MARKETS**NORTHEAST**

Cream supplies are mixed, ranging from fairly tight to more available. Seasonal cream cheese manufacturing is increasing and this activity is taking a lot more cream. Churning operations are much more aggressively looking for additional cream to increase churning schedules. Seasonal interest for butter is increasing. Fresh butter supplies seem to be generally sufficient for current needs, though a lot of butter is going through the microfixing process at this time. Contacts believe that there may be some potential for price increases this fall, but with plenty of butter being produced and in storage, they don't see this possibility as real strong. The CME market gyrations over the past two weeks have most contacts somewhat confused about the near term price movement potential.

CENTRAL

Butter pricing remains a mixed bag this week. Trading levels have moved both up and down over the last two weeks with the occasional steady session. Most contacts believe that there is very little chance for any real strength in the market yet this fall. Production is just too heavy and stocks remain well ahead of recent years' levels. Contacts are noting some transportation and packaging problems with trying to fill last minute orders in a timely fashion. Retail demand is strong and expected to improve as more feature activity kicks in as the holidays approach. Cream supplies are readily available and butter churning operations are more willing to take on additional volumes at this time.

WEST

Cream offerings are heavy in the Western region. Cream cheese production and holiday related output of higher fat products are taking more cream, but churns continue to run on extended schedules. Butter manufacturers are more willing to take additional cream at this time. Print butter orders are coming in at heavy levels. Stores need to get butter ordered to have it available for the Thanksgiving holiday and for the end of the year celebrations. Sales activity is rated as steady to improving, bolstered by the somewhat lower prices noted at retail. Food service orders are also rated as good to very good. Contacts wonder about the possibility of much upside potential for butter prices this fall. Most believe that prices won't increase much nor stay up long because of the heavy production already noted and because of the large volumes of butter remaining in storage.

WHOLESALE SELLING DIFFERENTIALS, F.O.B. PRODUCING PLANTS, TRUCK-LOAD QUANTITIES.

DUE TO A LACK OF CONSENSUS ON THE PART OF PRODUCERS AND BUYERS ABOUT THE BASING POINT FOR BULK BUTTER SALES (PREVIOUS FRIDAY'S CLOSE, PREVIOUS WEEK'S AVERAGE, DATE OF SALE, DATE OF SHIPMENT, ETC.), DAIRY MARKET NEWS IS TEMPORARILY SUSPENDING THE REPORTING OF PREMIUMS OR DISCOUNTS.

NASS DAIRY PRODUCT PRICES
 U.S. AVERAGE AND TOTAL POUNDS

WEEK ENDING	CHEESE		NDM	BUTTER	DRY WHEY
	40# BLOCKS	BARRELS 39% MOISTURE			
OCTOBER 30	1.3126 5,069,473	1.2490 8,349,071	1.0165 15,542,215	1.0486 3,403,711	0.1921 5,949,909

Further data and revisions may be found on the internet at: <http://jan.mannlib.cornell.edu/reports/nassr/price/dairy>

CHEESE MARKETS

NORTHEAST

Wholesale prices are mostly lower. Continued weakness on the Chicago Mercantile Exchange cash cheese market is leading to lower wholesale prices. The continued prospect for additional price weakness continues to affect buying patterns. Retail and food service interest is generally steady. Orders for Thanksgiving needs should be proceeding through the channels. Cheese production is heavy seasonally due to increases in surplus milk intakes.

WHOLESALE SELLING PRICES: DELIVERED,
DOLLARS PER POUND (1000 - 5000 POUNDS MIXED LOTS)

Cheddar 10# Prints	:	1.2800-1.7700
Cheddar Single Daisies	:	1.2600-1.7200
Cheddar 40# Block	:	1.4050-1.5825
Process 5# Loaf	:	1.4500-1.6100
Process 5# Sliced	:	1.4700-1.7025
Muenster	:	1.4625-1.7650
Grade A Swiss Cuts 10 - 14#	:	2.3500-2.5500

MIDWEST

The cheese market is unsettled to weak. Cash prices continue to slip on the CME cash market. Offerings are adequate to ample on barrels. Undergrade interest is limited as process sales are at best average for this time of year. Sources indicate that in a falling market, some buyers seem to use "tougher" quality standards. Current natural interest has improved with inventories declining at many regular and specialty cheese operations. Cutting schedules are seasonally fairly good though some larger operations still have run time available. Some concern continues about the likelihood of shorting orders if a big volume of holiday orders come in at once. Swiss supplies are tight to adequate with a few producers supplementing their own production with outside purchases. Cheese production is typically above year ago levels. Stronger Class I milk interest early in the month is cutting into supplies available for manufacturing.

WISCONSIN WHOLESALE SELLING PRICES: DELIVERED,
DOLLARS PER POUND (1000 - 5000 POUNDS MIXED LOTS)

Process American 5# Loaf	:	1.4175-1.8800
Brick And/Or Muenster 5#	:	1.8225-1.8300
Cheddar 40# Block	:	1.6225-2.1150
Monterey Jack 10#	:	1.8125-2.1150
Blue 5#	:	1.9575-2.4100
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.6925-2.2150
Grade A Swiss Cuts 6 - 9#	:	2.5500-2.6850

MIDWEST COMMODITY CHEDDAR

Dollars per pound, standard moisture basis (37.8-39.0%),
carlot/trucklot, F.O.B. plants or storage centers.

CHEDDAR STYLES	:	NOVEMBER 1 - 5, 1999
BARRELS*	:	\$1.1975 - 1.2475 (NOMINAL)
	:	(-\$0.0325) (-.0325)
40# BLOCKS	:	\$1.2275 - 1.2925 (NOMINAL)
	:	(-\$0.0225) (-.0225)
() Change from previous week. * If steel, barrel returned.		

WEST

Cheese prices resumed their decline after one week of a small price rebound. Buying activity is steady, in that buyers are making regular purchases as their inventories warrant. Most contacts don't feel that there is much of a chance for price strength this fall because of heavy production and stocks. Buyers are aggressively looking for lower priced product in the marketplace. They are having some success. True undergrades are selling well at some deep discounts. The cheese with the most problems moving is that with only minor defects. Sellers think it should be only slightly discounted, but buyers are not agreeing. Storage stocks are increasing. Mozzarella continues to be in a tight position. Swiss is moving very well and inventories are declining. Production overall is seasonally heavy.

WHOLESALE SELLING PRICES: DELIVERED, DOLLARS PER POUND
(1000 - 5000 POUNDS MIXED LOTS)

Process 5# Loaf	:	1.3925-1.6525
Cheddar 40# Block	:	1.3825-1.5225
Cheddar 10# Cuts	:	1.5625-1.7825
Monterey Jack 10#	:	1.5725-1.7425
Grade A Swiss Cuts 6 - 9#	:	2.3800-2.5100

FOREIGN

Prices are lower on domestic varieties, mostly unchanged on imported. Tightening supplies of Roquefort are causing sellers with inventory to pass along substantial price increases. Demand is increasing seasonally on most items. Stocks of most other imported varieties are tight to adequate.

WHOLESALE SELLING PRICES: FOB DISTRIBUTORS DOCK
DOLLARS PER POUND (1000 - 5000 POUNDS, MIXED LOTS)

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
Roquefort	TFEWR	-0-
Blue	2.6400-3.1400	1.6175-2.2275*
Gorgonzola	3.2400-5.9400	2.1675-2.4900*
Parmesan (Italy)	TFEWR	3.0275-3.0525*
Provolone (Italy)	3.4400-5.5000	1.6275-1.9025*
Romano (Cows Milk)	-0-	2.8175-5.0125*
Sardo Romano (Argentine)	2.6500-3.2900	-0-
Reggianito (Argentine)	2.6500-3.2900	-0-
Jarlsberg-(Brand)	2.7400-3.1200	-0-
Swiss Cuts Switzerland	-0-	2.3500-2.5500
Swiss Cuts Finnish	2.5900-2.8500	-0-
Swiss Cuts Austrian	2.2500-2.7500	-0-
Edam		
2 Pound	TFEWR	-0-
4 Pound	2.1900-3.0900	-0-
Gouda, Large	2.3900-3.1500	-0-
Gouda, Baby (\$/Dozen)		
10 Ounce	27.8000-31.7000	-0-

* = Price change.

WEEKLY COLD STORAGE HOLDINGS-SELECTED STORAGE CENTERS
IN THOUSAND POUNDS - INCLUDING GOVERNMENT STOCKS

	BUTTER	CHEESE
11/01/99	17,566	121,459
10/01/99	21,688	128,673
CHANGE	-4,122	-7,214
% CHANGE	-19	-6

Based on the historical relationship of the preliminary U.S. Cold Storage report of Sep 30 and the selected centers storage report, the expected U.S. holdings as of Nov 1 are:

Butter 60 million pounds plus or minus 5.23 percent
Cheese 445 million pounds plus or minus 3.32 percent

FLUID MILK AND CREAM

E A S T

Milk production is declining in the North and increasing in the South. While output in the North usually reaches an annual low in November, producers are reporting overall increases of 5-6% above levels last year. Southern production reached an annual low around the first few weeks in September. Cooler weather in the South is encouraging production and decreasing imports into the region. Shipments into Florida are down with 70 loads anticipated this week. This compares to an adjusted total of 156 loads last week and a reported 79 loads last year. Southern producers continue to add cows to their herds at prices above \$1500. Class I demand is steady to somewhat improved due to some first of the month activity. Bottlers in the South await tourist activity for improvements in Class I demand. Production of condensed skim is generally lower. Prices are unchanged and remain high compared to cheaper NDM product. Some producers suspect that buyers are working off NDM inventories to cover current needs. Condensed demand is weak with no real changes anticipated until December class prices are in place. Prices are unchanged to higher reflecting class price increases in the new month. Cream is readily available for the moderate interest. Steady production is satisfying the needs of seasonal and regular users. Western cream is said to be competitive on the Eastern market. Prices are higher due to an increase in the weekly CME AA butter average. However, since the butter price dropped consecutive days last week, some producers moved multiples lower as buyers anticipated lower butter prices contrary to this week's activity. Butter producers are tending to buy at the lower end of the range. Churning activity is steady to seasonally higher. Declines in ice cream output are compensated by increases in sour cream, egg nog, and cream production.

FLUID CREAM AND CONDENSED SKIM PRICES IN TANKLOT QUANTITIES

SPOT PRICES OF CLASS II CREAM, \$ PER LB BUTTERFAT

F.O.B. PRODUCING PLANTS: NORTHEAST	-	1.3451-1.5052
DELIVERED EQUIVALENT ATLANTA	-	1.3451-1.5159 M 1.4305-1.4518
F.O.B. PRODUCING PLANTS: UPPER MIDWEST	-	1.3237-1.4198

PRICES OF CONDENSED SKIM, \$ PER LB WET SOLIDS

F.O.B. PRODUCING PLANTS:

NORTHEAST- CLASS II - INCLUDES MONTHLY FORMULA PRICES	-	1.2500-1.6300
NORTHEAST- CLASS III - SPOT PRICES	-	1.0500-1.1800

M I D W E S T

WISCONSIN SPOT SHIPMENTS:

SPOT SHIPMENTS:	LOADS
OCTOBER 29 - NOVEMBER 4, 1999	14
PREVIOUS WEEK	34
COMPARABLE WEEK IN 1998	17

DESTINATIONS: KENTUCKY 14

Colder, more seasonal weather and strong winds covered much of the northern tier of states for a few days. Pasture and lawn growth has slowed and supplemental feeding is needed to maintain weight and/or milk output for those using grazing. Class I milk sales within the region are steady to occasionally improved where the usually stronger first of the month sales kicked in. Besides the milk shipments reported, 19 loads of Wisconsin milk are "direct shipped" to Kentucky, 17 loads to Georgia, and 21 loads to Missouri and are pooled under a Southern federal order. Overall, milk shipments to the Southeast are slowing seasonally and handlers expect the volume to drop further in future weeks. Spot manufacturing milk premiums are generally in the area of \$1.25 - 1.65 over class/MCP. Some handlers and milk sellers are already trying to get manufacturers to make commitments to purchase surplus milk during the year end holiday period. Some extra milk was moving into Wisconsin manufacturing plants from nearby states to help fill

orders. Cream prices are generally higher, reflecting a higher average cash butter price at the Chicago Mercantile Exchange. Cream demand is light from ice cream accounts though cream cheese and sour cream are good. Production of holiday items such as egg nog has also stepped up. Milk intakes continue to show little change in week to week comparisons. Fat and protein tests continue to increase seasonally. Farmers are finishing the fall harvest but due to dry conditions in many areas, tillage operations have slowed. A lot of corn stubble is also being put up for bedding use.

WISCONSIN LIVESTOCK AUCTIONS (PER CWT.)

	OCT 28 - NOV 3	PREVIOUS YEAR
SLAUGHTER COWS	\$ 34.00- 39.00	\$ 27.00- 33.00
REPLACEMENT HEIFER CALVES	\$240.00-370.00	\$150.00-220.00

SOUTH ST. PAUL TERMINAL AUCTION MARKET (PER CWT.)

	OCT 28 - NOV 3	PREVIOUS YEAR
SLAUGHTER COWS	\$ 30.00- 39.75	\$ 27.00- 35.75

W E S T

The courtroom has been highly involved in establishing the November Class 1 prices in California. On October 26, the Milk Producers Council of California (MPC) filed a lawsuit in a California Court seeking to stay the order by the California Department of Food and Agriculture (CDFA) that would lower Class 1 prices paid to farmers in California by 57 cents per hundredweight. The judge granted a stay and scheduled a December 10 hearing. On November 2, CDFA sought to lift the stay and this was granted because the CDFA was not given 24 hour notice by the MPC that they were filing the original suit. Then, on November 3, after MPC giving CDFA proper notice, the judge reheard arguments. The decision is not yet announced at press time. The October 4a price (butter/powder) in California is \$11.62, down 90 cents from September 1999 and \$5.98 lower than last year. The 4b price (cheese) is \$11.66, \$3.40 lower than last month and \$4.71 lower than last year. (The October BFP used in federal orders is expected to be around the \$11.70 to \$11.80 range when announced on Friday, November 5, dropping more than \$4 from September.) Milk production remains strong in the Southwest. California production continues to outpace year ago levels and expectations are that the pace will continue to be strong in the coming months. Weather has been near ideal for milk production and feed remains available and affordable. Plants are generally running at high levels and able to handle milk supplies. The drop in milk prices may impart some declines in milk output as more marginal cows are expected to be sold. Hay prices are mainly steady with demand better for higher quality hay. In New Mexico, milk production is increasing slowly, but test levels are noticeably better. Cow numbers are higher with some expansions occurring in the state. Production per cow is slow to increase, however. Local hay crops experienced wet conditions for several harvests. The vast majority of producers in the Pacific Northwest are stating that milk production is above expectations. Weather conditions are ideal and feed and forage supplies are of good quality and reasonably priced. Some moisture is coming in off the coast, but so far amounts have been very light and scattered. Most producers are taking it as a good sign that weather systems have shifted somewhat, allowing storms to track into the region instead of around. Good quality dairy hay supplies are tightening up. Current offerings are generally declining in protein levels and prices are edging higher. Corn silage volumes and quality levels are both rated as quite good. Heifer prices remain high and offerings are very light. Culling rates are low. Milk output remains very strong in the northern Mountain States region. Tests are very good seasonally on incoming milk receipts. No substantial rain has been reported in the region in more than two months. Fall field work is generally done for the season. Some growers are watering hay fields and fall seeded grain stands to try and get them in better shape going into the winter.

CENTRAL AND WEST DRY MILK PRODUCTS

All reports, except California manufacturing plants, were released 11/04/99 and represent FOB Central and Western production areas. Prices represent CL/TL quantities in 50 lb., 100 lb., or 25 kg. bags, spray process, dollars per pound.

Notice: Due to the Veterans' Day Holiday Thursday 11/11/99, prices for Report 45 will be released at 2pm central Wednesday 11/10/99

NONFAT DRY MILK - CENTRAL

Prices are unchanged to lower on a market that is showing signs of weakening. Surplus supplies on the Western market are beginning to filter into the Midwest. Lower prices are a reflection of competition and increases in the milk supply. Some milk is being diverted away from condensed skim and into dryers in the Midwest. Demand is fair to somewhat improved with an increased interest from bakeries during the holiday season. Lower prices are clearing some bulk loads. Inventories are building and offers are plentiful. High heat and Grade A production is light and trading is minimal. Contracts are being negotiated for the remainder of 1999 and into 2000.

Includes EXTRA GRADE and GRADE A, low and medium heat

NONFAT DRY MILK: 1.0200 - 1.0650 MOSTLY: 1.0300 - 1.0550

DRY BUTTERMILK - CENTRAL

Prices remain unchanged on a steady market. Production and demand are light. Supplies of fresh product are tight to mostly in balance. Regular commitments tend to clear product the best. Multiple loads of aged product are reportedly available at 70-75 cents f.o.b. Condensed movement is good. Buyers anticipate heavier condensed supplies and more drying activity as butter and milk production continue to increase.

BUTTERMILK: .7700 - .8500

DRY WHEY - CENTRAL

Prices are unchanged to lower on a steady to weak market. While some trades continue at the lower end of the range, the market appears to be stabilizing. Some producers indicate that the market may have the potential move lower. Others are comfortable with current stocks and are able to obtain a premium price. Export activity and regular commitments clear product the best. Interest from the feed sector is very light. Production is steady and offers are adequate to fully adequate.

NONHYGROSCOPIC: .1725 - .1925 MOSTLY: .1800 - .1850

ANIMAL FEED WHEY - CENTRAL

Prices are mixed on a steady to weak market. Roller ground prices moved lower with declines in the Extra Grade market. Milk replacer discounts are less steep and more in line with the current market. Feed whey interest is light with plenty of sub-standard product available at substantial discounts. Delactose production is in balance with demand. The North Central veal market is mostly steady to slightly weaker. Early weaned pigs are steady to \$1.00 higher while Midwest barrows and gilts are trending steady to \$1.00 lower.

MILK REPLACER: .1350 - .1775
STANDARD: TFEWR
ROLLER GROUND: .1700 - .1950
DELACTOSE (Min. 20% protein): .2600 - .3150

LACTOSE - CENTRAL AND WEST

Prices are unchanged on a steady to firm market. Some Asian requests for extra product before the New Year are being denied by producers already tight in supply. The EU remains competitive with domestic suppliers for foreign markets. Most US suppliers are reluctant to discount prices. Movement into export markets and candy facilities is strong. Some sales into feed channels have been noted above the average. Negotiations are continuing on first quarter contracts. Some producers anticipate higher prices. Others are hesitant to comment until potential market conditions can be assessed. Off grade product is available at prices often within the range.

Including spot sales and up to 3 month contracts. Mesh size 30 - 100.

EDIBLE: .1700 - .2450 MOSTLY: .1900 - .2000

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

Prices are unchanged on a steady to weak market. Some contracts are being negotiated for the first quarter. Reports indicate prices ranging from 2.5 cents under to 2 cents over the average which is very similar to the current market. Condensed supplies remain tight. Off grade product is being traded at 33-39.5 cents with some product moving in from Canada. Grade A product is traded at prices above the range. Export movement on Extra Grade is good into Canada and Mexico. Offers are adequate to plentiful with most product available on the West Coast.

EXTRA GRADE 34% PROTEIN: .4050 - .4850 MOSTLY: .4300 - .4600

NONFAT DRY MILK - WEST

Prices are unchanged, but the market tone is trending weaker. Spot trading interest is generally lackluster. Sales for DEIP and to the CCC under the support program continue to make up a fair share of the current market sales. Additional product is being offered by more producers. Production levels are increasing at strong levels at many locations. The extension of the price support price for NDM through calendar year 2000 has brought some relief to the NDM market. The lack of a support price could have allowed NDM prices to decline substantially during periods of low demand and excess production. High heat prices are holding steady. Supplies and demand are light and in balance. Production is mainly being limited to orders. During the week of October 25 - 29, CCC cancellations exceeded purchases by 12,972 pounds.

Includes EXTRA GRADE and GRADE A

LOW/MEDIUM HEAT: 1.0000 - 1.0300 MOSTLY: 1.0100 - 1.0250
HIGH HEAT: 1.0200 - 1.0450

DRY BUTTERMILK - WEST

Buttermilk prices are mixed, but the market tone is weakening. Additional churning in the region is creating more condensed buttermilk to be processed. Demand is slow to develop. Producers are indicating that sales are harder to make and prices are more negotiable. Inventories are higher.

BUTTERMILK: .7000 - .8000 MOSTLY: .7200 - .7400

DRY WHEY - WEST

Prices have held steady for two consecutive weeks on the Western whey market. Demand is generally sufficient to clear offerings in an orderly fashion. Export sales continue at steady levels. Domestic buyers continue to take normal volumes, but they are watching the spread between prices in the Central and Western regions. The spread is currently approaching two cents. Stock levels range from sold out to comfortable. Output that has to be downgraded to animal feed quality has declined in recent weeks. Production, overall, remains heavier than anticipated for the fall season. The mostly price range during week #44 during 1998 was .2400-.2425.

NONHYGROSCOPIC: .1850 - .2200 MOSTLY: .1975 - .2050

CALIFORNIA MANUFACTURING PLANTS - NONFAT DRY MILK

WEEK ENDING	PRICE	POUNDS
October 29	\$1.0119	12,226,279
October 22	\$1.0131	10,653,784

Prices are weighted averages for Extra Grade and Grade A Nonfat Dry Milk, f.o.b. California manufacturing plants. Prices for both periods were influenced by effects of long-term contract sales. Compiled by Dairy Marketing Branch, California Department of Food and Agriculture.

NORTHEAST, SOUTHEAST, AND NATIONAL MILK PRODUCTS

All reports represent carlot/trucklot quantities in 50 lb., 100 lb., or 25 kg. bags, spray process, dollars per pound, unless otherwise specified. Delivered Southeast is delivered equivalent Atlanta.

Notice: Due to the Veterans' Day Holiday Thursday 11/11/99, prices for Report 45 will be released at 2pm central Wednesday 11/10/99

NONFAT DRY MILK - NORTHEAST AND SOUTHEAST

Prices are unchanged to lower on a steady to weak market. Production is increasing as milk is diverted away from higher priced condensed skim and Southern fluid markets. Producers also prefer to make NDM over whole milk since whole milk prices are anticipated to drop with the November 5th BFP announcement. Inventories are mixed. Some producers are discounting product to clear excess supplies. Others are comfortable with current stocks and find no need to reduce prices. Demand is slow and disappointing as demand from condensed buyers is not developing as expected. Some producers suspect that buyers are working off of inventories to cover current needs. Offers are adequate to plentiful. High heat product is in good balance for the moderate demand.

Includes EXTRA GRADE AND GRADE A

F.O.B. NORTHEAST:

LOW/MEDIUM HEAT: 1.0150 - 1.0600 MOSTLY: 1.0300 - 1.0400
HIGH HEAT: 1.0800 - 1.1100 MOSTLY: 1.0800 - 1.0900
DELVD SOUTHEAST:
ALL HEATS: 1.0500 - 1.1300

DRY BUTTERMILK - NORTHEAST AND SOUTHEAST

Prices are unchanged on a steady market. Some producers have a few loads to sell but are generally in good balance for the fair to sometimes improved demand. Regular commitments clear product the best. Producers suggest that the market has peaked. Decreases are anticipated as the milk supply increases and butter is prepared for holiday schedules.

F.O.B. NORTHEAST: .8100 - .8400
DELVD SOUTHEAST: .8200 - .8450

DRY WHOLE MILK - NATIONAL

Prices are unchanged on a steady market. Some producers have cut back on production in anticipation of lower prices with the November 5th BFP announcement. Others have stepped up production as cookie, candy, and bakery demand improves for the holiday season. Inventories are in balance with most product clearing on regular commitments.

F.O.B. PRODUCING PLANT: 1.2500 - 1.7450

DEIP BID ACCEPTANCE SUMMARY

JULY 1, 1999 THROUGH OCTOBER 29, 1999
WITH CHANGES FROM PREVIOUS REPORT

NONFAT DRY MILK	--	56,322	MT (124,167,481 LBS)
CHANGE	--	1,486	MT (3,276,036 LBS)
WHOLE MILK POWDER	--	2,656	MT (5,855,418 LBS)
CHEESE	--	954	MT (2,103,188 LBS)
CHANGE	--	6	MT (13,228 LBS)
BUTTERFAT	--	2,006	MT (4,422,428 LBS)
CHANGE	--	1,313	MT (2,894,640 LBS)

Allocations for the DEIP year beginning July 1, 1999, are: Nonfat dry milk - 76,207 MT; Whole Milk Powder - 2,518 MT; Cheese - 3,190 MT; Butterfat - 25,475 MT. These DEIP allocations are in addition to balances still available from quantities announced on May 13, 1999; 25,177 MT of Nonfat Dry Milk (to be filled in roughly equal quarterly amounts during the GATT-year beginning July 1, 1999), 7,500 MT of dry whole milk, and 1,270 MT of cheese.

DRY WHEY - NORTHEAST AND SOUTHEAST

Prices are unchanged to lower on a steady to weak market. While some producers are sold out or in tight supply on Grade A product, others report lower prices as the market follows price decreases in the Central region. Demand is mixed on Extra Grade with light to heavy trading. Movement is best on regular commitments and exports. Some aged product is available and difficult to move. Production is mostly steady to instances lower as some plants reduce schedules for routine maintenance and repairs. Inventories are mostly in balance and building.

F.O.B. NORTHEAST:	EXTRA GRADE	.1850 - .1950
	USPH GRADE A	.1925 - .2225
DELVD SOUTHEAST:		.2050 - .2350

ANIMAL FEED WHEY - NORTHEAST

Prices are too few to report and the market tone is weak. Some animal feed whey is reportedly available at 2-4 cents below the Eastern Extra Grade average. Trading is light and best on regular commitments. Inventories are in balance and building. The Northeast veal market is trending steady to firm for the light to moderate interest.

F.O.B. NORTHEAST: MILK REPLACER TFEWR

EVAPORATED MILK - NATIONAL

Prices are unchanged on a steady market. Production is steady to somewhat improved as milk supplies increase. Lower milk prices after the November 5th BFP announcement are expected to encourage more production. Demand is fair to good as producers prepare for the holiday baking season. Inventories are generally in balance with current interest.

DOLLARS PER 48 - 12 FLUID OUNCE CANS PER CASE DELIVERED MAJOR U.S. CITIES \$24.68 - 33.00

Excluding promotional and other sales allowances. Included new price announcements.

CASEIN - NATIONAL

Prices for both casein prices are unchanged, but a firming trend is developing. A European Union subsidy cut prompted suppliers to raise offering prices and suppliers are attempting to pass these changes on to buyers. New sales are yet unconfirmed, but expectations of higher prices are becoming more apparent. Contracted casein continues to be delivered at the bottom end of both ranges. Spot sales are limited.

SPOT SALES AND UP TO 3 MONTH CONTRACTS. PRICES ARE FOR EDIBLE NONRESTRICTED AND VARY ACCORDING TO MESH SIZE AND QUALITY.

RENNET:	1.7500 - 1.9000
ACID:	1.7800 - 1.9000

MONTHLY SUMMARY AND AVERAGES FOR OCTOBER 1999 1/ - (UNLESS OTHERWISE NOTED, PRICES ARE DOLLARS PER POUND, CL/TL)

COMMODITY	REPORT NUMBER 39	REPORT NUMBER 40	REPORT NUMBER 41	REPORT NUMBER 42	REPORT NUMBER 43	1999	1998
	OCT 01	OCT 04 - 08	OCT 11 - 15	OCT 18 - 22	OCT 25 - 29	or Total	or Total

BUTTER

WHOLESALE SELLING DIFFERENTIALS, F.O.B. - BULK - TRUCKLOAD QUANTITIES

Due to a lack of consensus on the part of producers and buyers about the basing point for bulk butter sales, (previous Friday's close, previous week's average, date of sale, date of shipment, etc), Dairy Market News is temporarily suspending the reporting of premiums or discounts.

CHEESE

MIDWEST COMMODITY CHEDDAR

-- Cheddar Barrel s	:: 1.4250 - 1.4875	:: 1.2500 - 1.4300	:: 1.1275 - 1.3150	:: 1.2400 - 1.2725	:: 1.2300 - 1.2800	:: 1.2799	:: 1.7851
-- Cheddar 40# Blocks	:: 1.4875 - 1.5750	:: 1.4050 - 1.5125	:: 1.1800 - 1.4100	:: 1.2575 - 1.2950	:: 1.2500 - 1.3150	:: 1.3399	:: 1.8346

WISCONSIN (WSP, Delivered, LTL)

-- Process American 5# Loaf	:: 1.6575 - 2.1000	:: 1.6100 - 2.1000	:: 1.4750 - 2.0500	:: 1.4100 - 1.9500	:: 1.4500 - 1.8800	:: 1.7464	:: 2.0047
-- Brick And/Or Muenster 5#	:: 2.1000 - 2.1025	:: 2.0400 - 2.1000	:: 1.9400 - 2.0000	:: 1.8150 - 1.9000	:: 1.8300 - 1.8425	:: 1.9400	:: 2.1663
-- Cheddar 40# Block	:: 1.9025 - 2.1150	:: 1.8400 - 2.1150	:: 1.7400 - 2.1150	:: 1.6150 - 2.1150	:: 1.6425 - 2.1150	:: 1.9163	:: 1.9948
-- Monterey Jack 10#	:: 2.0925 - 2.2800	:: 2.0300 - 2.2800	:: 1.9300 - 2.1800	:: 1.8050 - 2.1150	:: 1.8325 - 2.1150	:: 2.0425	:: 2.0879
-- Blue 5#	:: 2.2375 - 2.6800	:: 2.1750 - 2.6800	:: 2.0750 - 2.5800	:: 1.9500 - 2.4800	:: 1.9775 - 2.4100	:: 2.2975	:: 2.5138
-- Mozzarella 5 - 6#	:: 1.9725 - 2.2150	:: 1.9100 - 2.2150	:: 1.8100 - 2.2150	:: 1.6850 - 2.2150	:: 1.7125 - 2.2150	:: 2.0013	:: 2.0284
-- Grade A Swiss Cuts 6 - 9#	:: 2.4600 - 2.6850	:: 2.4600 - 2.6850	:: 2.5500 - 2.6850	:: 2.5500 - 2.6850	:: 2.5500 - 2.6850	:: 2.6040	:: 2.4706

NORTHEAST (WSP, Delivered, LTL)

-- Cheddar 10# Prints	:: 1.5575 - 2.0475	:: 1.4975 - 1.9875	:: 1.3975 - 1.8875	:: 1.2725 - 1.7625	:: 1.3000 - 1.7900	:: 1.6199	:: 2.0467
-- Cheddar Single Daisies	:: 1.5375 - 1.9975	:: 1.4775 - 1.9375	:: 1.3775 - 1.8375	:: 1.2525 - 1.7125	:: 1.2800 - 1.7400	:: 1.5849	:: 2.0327
-- Cheddar 40# Block	:: 1.6825 - 1.8600	:: 1.6225 - 1.8000	:: 1.5225 - 1.7000	:: 1.3975 - 1.5750	:: 1.4250 - 1.6025	:: 1.5886	:: 2.0164
-- Process 5# Loaf	:: 1.6875 - 1.8475	:: 1.6400 - 1.8000	:: 1.5050 - 1.6650	:: 1.4425 - 1.6025	:: 1.4825 - 1.6425	:: 1.6066	:: 2.0368
-- Process 5# Sliced	:: 1.7075 - 1.9400	:: 1.6600 - 1.8925	:: 1.5250 - 1.7575	:: 1.4625 - 1.6950	:: 1.5025 - 1.7350	:: 1.6629	:: 2.0813
-- Muenster	:: 1.7400 - 2.0425	:: 1.6800 - 1.9825	:: 1.5800 - 1.8825	:: 1.4550 - 1.7575	:: 1.4825 - 1.7850	:: 1.7086	:: 2.1376
-- Grade A Swiss Cuts 10 - 14#	:: 2.3500 - 2.5500	:: 2.3500 - 2.5500	:: 2.3500 - 2.5500	:: 2.3500 - 2.5500	:: 2.3500 - 2.5500	:: 2.4500	:: 2.3775

WEST COAST (WSP, Delivered, LTL)

-- Process 5# Loaf	:: 1.6250 - 1.8850	:: 1.5775 - 1.8375	:: 1.4475 - 1.7075	:: 1.3850 - 1.6450	:: 1.4250 - 1.6850	:: 1.5976	:: 2.0598
-- Cheddar 40# Block	:: 1.6625 - 1.8025	:: 1.6000 - 1.7400	:: 1.5000 - 1.6400	:: 1.3750 - 1.5150	:: 1.4025 - 1.5425	:: 1.5475	:: 1.9882
-- Cheddar 10# Cuts	:: 1.8425 - 2.0625	:: 1.7800 - 2.0000	:: 1.6800 - 1.9000	:: 1.5550 - 1.7750	:: 1.5825 - 1.8025	:: 1.7675	:: 2.2230
-- Monterey Jack 10#	:: 1.8525 - 2.0225	:: 1.7900 - 1.9600	:: 1.6900 - 1.8600	:: 1.5650 - 1.7350	:: 1.5925 - 1.7625	:: 1.7525	:: 2.2118
-- Grade A Swiss Cuts 6 - 9#	:: 2.3800 - 2.5100	:: 2.3800 - 2.5100	:: 2.3800 - 2.5100	:: 2.3800 - 2.5100	:: 2.3800 - 2.5100	:: 2.4450	:: 2.4460

FLUID AND DRY PRODUCTS

SPOT PRICES OF CLASS II CREAM (\$ per lb. butterfat)

-- Northeast - f.o.b	:: 1.6161 - 1.8377	:: 1.4800 - 1.7389	:: 1.3780 - 1.6306	:: 1.3563 - 1.5407	:: 1.2894 - 1.4736	:: 1.4971	:: 3.1957
-- Atlanta - dlvd. equiv.	:: 1.6291 - 1.8246	:: 1.5416 - 1.7266	:: 1.4353 - 1.6076	:: 1.3671 - 1.5190	:: 1.2894 - 1.4531	:: 1.5027	:: 3.2207
-- Upper Midwest - f.o.b	:: 1.7157 - 1.8507	:: 1.6160 - 1.7513	:: 1.4697 - 1.5502	:: 1.4364 - 1.4648	:: 1.2689 - 1.3610	:: 1.5035	:: 3.1336

PRICES OF CLASS III CONDENSED SKIM (\$ per lb. wet solids)

-- Northeast - f.o.b	:: 1.1600 - 1.5000	:: 1.1600 - 1.5600	:: 1.1600 - 1.6500	:: 1.1600 - 1.6500	:: 1.2500 - 1.5600	:: 1.3900	:: 0.9357
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SPOT PRICES OF CLASS III CONDENSED SKIM (\$ per lb. wet solids)

-- Northeast - f.o.b	:: 1.3500 - 1.5000	:: 1.1800 - 1.5600	:: 1.0600 - 1.4000	:: 1.0500 - 1.1800	:: 1.2740	:: TFEWR
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WISCONSIN FLUID MILK SHIPMENTS

-- Loads Shipped from Wisconsin Shipping Points	:: 0	:: 35	:: 35	:: 39	:: 34	:: 143	:: 133
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NATIONAL EVAPORATED MILK (\$ per Case)

(Case - 48 - 12 fluid oz cans)

-- Delivered Major U.S. Cities	:: 24.6800 -33.0000	:: 24.6800 -33.0000	:: 24.6800 -33.0000	:: 24.6800 -33.0000	:: 24.6800 -33.0000	:: 28.8400	:: 28.3100
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MONTHLY SUMMARY AND AVERAGES FOR OCTOBER 1999 1/ - (UNLESS OTHERWISE NOTED, PRICES ARE DOLLARS PER POUND, CL/TL)

COMMODITY	REPORT NUMBER 39	REPORT NUMBER 40	REPORT NUMBER 41	REPORT NUMBER 42	REPORT NUMBER 43	1999	1998
	OCT 01	OCT 04 - 08	OCT 11 - 15	OCT 18 - 22	OCT 25 - 29	Average	Average
						or Total	or Total
DRY PRODUCTS							
NONFAT DRY MILK							
-- Central (f.o.b.)							
-- Low/Medium Heat	1.0250 - 1.0700	1.0250 - 1.0650	1.0250 - 1.0650	1.0250 - 1.0650	1.0250 - 1.0650	1.0451	1.1180
-- Mostly	1.0300 - 1.0550	1.0300 - 1.0550	1.0300 - 1.0550	1.0300 - 1.0550	1.0300 - 1.0550	1.0425	1.0924
-- West (f.o.b.)							
-- Low/Medium Heat	1.0050 - 1.0325	1.0050 - 1.0325	1.0050 - 1.0325	1.0050 - 1.0300	1.0000 - 1.0300	1.0175	1.1131
-- Mostly	1.0100 - 1.0250	1.0100 - 1.0250	1.0100 - 1.0250	1.0100 - 1.0250	1.0100 - 1.0250	1.0175	1.1200
-- High Heat	1.0400 - 1.0500	1.0400 - 1.0550	1.0400 - 1.0550	1.0300 - 1.0450	1.0200 - 1.0450	1.0411	1.1448
-- Northeast (f.o.b.)							
-- Low/Medium Heat	1.0500 - 1.0700	1.0500 - 1.0700	1.0500 - 1.0700	1.0400 - 1.0600	1.0250 - 1.0600	1.0531	1.1324
-- Mostly	1.0500 - 1.0600	1.0500 - 1.0600	1.0500 - 1.0600	1.0400 - 1.0600	1.0300 - 1.0400	1.0488	TFEWR
-- High Heat	1.0800 - 1.1100	1.0800 - 1.1100	1.0800 - 1.1100	1.0800 - 1.1100	1.0800 - 1.1100	1.0950	1.1569
-- Mostly	1.0800 - 1.0900	1.0800 - 1.0900	1.0800 - 1.0900	1.0800 - 1.0900	1.0800 - 1.0900	1.0850	1.1381
-- Southeast (Del vd)							
-- Extra & Grade A	1.0600 - 1.1300	1.0600 - 1.1300	1.0600 - 1.1300	1.0600 - 1.1300	1.0500 - 1.1300	1.0938	1.1590
WHEY POWDER (Nonhygroscopic)							
-- Central (f.o.b.)							
-- Mostly	0.2000 - 0.2050	0.1975 - 0.2025	0.1950 - 0.2025	0.1850 - 0.1950	0.1800 - 0.1850	0.1930	0.2546
-- West (f.o.b.)							
-- Mostly	0.1800 - 0.2050	0.1800 - 0.2125	0.1800 - 0.2150	0.1850 - 0.2200	0.1850 - 0.2200	0.1994	0.2508
-- Mostly	0.1875 - 0.1950	0.1900 - 0.2000	0.1950 - 0.2050	0.1975 - 0.2050	0.1975 - 0.2050	0.1989	0.2413
-- Northeast Extra Grade (f.o.b.)	0.1900 - 0.2125	0.1900 - 0.2125	0.1900 - 0.2125	0.1850 - 0.2000	0.1850 - 0.1950	0.1963	0.2554
-- Northeast Usph Grade A (f.o.b.)	0.2125 - 0.2500	0.2125 - 0.2500	0.2125 - 0.2425	0.2100 - 0.2325	0.2100 - 0.2225	0.2243	0.2636
-- Southeast Extra Grade (Del vd)	0.2200 - 0.2425	0.2200 - 0.2425	0.2200 - 0.2425	0.2100 - 0.2350	0.2050 - 0.2350	0.2263	0.2878
WHEY PROTEIN CONCENTRATE							
-- Central And West (f.o.b.)							
-- Extra Grade 34% Protein	0.4050 - 0.4650	0.4050 - 0.4850	0.4050 - 0.4850	0.4050 - 0.4850	0.4050 - 0.4850	0.4445	0.6112
-- Mostly	0.4300 - 0.4600	0.4300 - 0.4600	0.4300 - 0.4600	0.4300 - 0.4600	0.4300 - 0.4600	0.4450	0.6144
ANIMAL FEED - WHEY							
-- Central (f.o.b.)							
-- Milk Replacer	0.1475 - 0.1975	0.1400 - 0.1925	0.1400 - 0.1950	0.1300 - 0.1850	0.1200 - 0.1850	0.1612	0.2213
-- Standard	TFEWR	TFEWR	TFEWR	TFEWR	TFEWR	TFEWR	TFEWR
-- Roller Ground	0.1775 - 0.2125	0.1775 - 0.2125	0.1775 - 0.2125	0.1775 - 0.2100	0.1775 - 0.2000	0.1931	0.2842
-- Dextrose	0.2600 - 0.3150	0.2600 - 0.3150	0.2600 - 0.3150	0.2600 - 0.3150	0.2600 - 0.3150	0.2875	0.3438
-- Northeast (f.o.b.)							
-- Milk Replacer	TFEWR	TFEWR	TFEWR	TFEWR	TFEWR	TFEWR	TFEWR
BUTTERMILK (Min. 30% protein)							
-- Central (f.o.b.)							
-- West (f.o.b.)	0.7100 - 0.7900	0.7100 - 0.7900	0.7100 - 0.7900	0.7100 - 0.7900	0.7100 - 0.7900	0.7500	1.0100
-- Mostly	0.7200 - 0.7600	0.7200 - 0.7600	0.7200 - 0.7600	0.7200 - 0.7600	0.7200 - 0.7500	0.7388	0.9950
-- Northeast (f.o.b.)							
-- Southeast (Del vd)	0.8000 - 0.8400	0.8000 - 0.8400	0.8000 - 0.8400	0.8100 - 0.8400	0.8100 - 0.8400	0.8225	0.9900
-- Southeast (Del vd)	0.8200 - 0.8450	0.8200 - 0.8450	0.8200 - 0.8450	0.8200 - 0.8450	0.8200 - 0.8450	0.8325	1.0433
WHOLE MILK POWDER							
-- National							
-- National (f.o.b.)	1.3800 - 1.7100	1.3600 - 1.7450	1.3500 - 1.7450	1.2500 - 1.7450	1.2500 - 1.7450	1.5236	1.7006
LACTOSE							
-- Central And West (f.o.b.)							
-- Mostly	0.1700 - 0.2300	0.1700 - 0.2200	0.1700 - 0.2275	0.1700 - 0.2350	0.1700 - 0.2450	0.2010	0.1932
-- Mostly	0.1875 - 0.1925	0.1900 - 0.2000	0.1900 - 0.2000	0.1900 - 0.2000	0.1900 - 0.2000	0.1948	0.1767
CASEIN - Edible - National (f.o.b.)							
-- Nonrestricted - Rennet	1.7500 - 1.9000	1.7500 - 1.9000	1.7500 - 1.9000	1.7500 - 1.9000	1.7500 - 1.9000	1.8250	2.0583
-- Nonrestricted - Acid	1.7800 - 1.9000	1.7800 - 1.9000	1.7800 - 1.9000	1.7800 - 1.9000	1.7800 - 1.9000	1.8400	2.0083

1/ Prices for all products are issued once a week and represent a value for the entire week. Monthly averages are based on weekly prices and are time-weighted according to the number of workdays in the month - Saturdays, Sundays and National Holidays excluded. No monthly average is computed if one or more weekly prices are missing.

CHICAGO MERCANTILE EXCHANGE AVERAGES FOR OCTOBER 1999

COMMODITY	REPORT NUMBER 39:		REPORT NUMBER 40:		REPORT NUMBER 41:		REPORT NUMBER 42:		REPORT NUMBER 43:		1999 *	1998 *
											Monthl y	Monthl y
	OCT 1		OCT 4 - 8		OCT 11 - 15		OCT 18 - 22		OCT 25 - 29		Average	Average
BUTTER*												
-- GRADE AA												
--Monday			1. 1950		1. 0650		1. 0000		1. 0825			
--Tuesday												
--Wednesday			1. 1450		1. 1100		0. 9750		1. 0650			
--Thursday												
--Fri day	1. 2150		1. 1050		1. 0800		1. 0950		1. 0550	#		N. A.
--Weekl y Average**	1. 2333		1. 1483		1. 0850		1. 0233		1. 0675			
CHEESE*												
-- BARRELS												
--Monday			1. 3750		1. 1600		1. 2725		1. 2550			
--Tuesday			1. 3450		1. 1275		1. 2725		1. 2450			
--Wednesday			1. 2500		1. 2500		1. 2725		1. 2300			
--Thursday			1. 2500		1. 3200		1. 2725		1. 2300			
--Fri day	1. 4100		1. 2500		1. 2975		1. 2625		1. 2300	1. 2656		1. 7882
--Weekl y Average**	1. 4300		1. 2940		1. 2310		1. 2705		1. 2380			
-- 40# BLOCKS												
--Monday			1. 4350		1. 1850		1. 2950		1. 2700			
--Tuesday			1. 4200		1. 1800		1. 2900		1. 2675			
--Wednesday			1. 4050		1. 2900		1. 2850		1. 2600			
--Thursday			1. 3450		1. 3150		1. 2800		1. 2600			
--Fri day	1. 4400		1. 3000		1. 3125		1. 2700		1. 2600	1. 3031		1. 8189
--Weekl y Average**	1. 4820		1. 3810		1. 2565		1. 2840		1. 2635			
NONFAT DRY MILK*												
-- EXTRA GRADE												
--Monday			1. 0300		1. 0300		1. 0300		1. 0300			
--Tuesday			1. 0300		1. 0300		1. 0300		1. 0300			
--Wednesday			1. 0300		1. 0300		1. 0300		1. 0300			
--Thursday			1. 0300		1. 0300		1. 0300		1. 0300			
--Fri day	1. 0300		1. 0300		1. 0300		1. 0300		1. 0300	1. 0300		1. 1645
--Weekl y Average**	1. 0300		1. 0300		1. 0300		1. 0300		1. 0300			
-- GRADE A												
--Monday			1. 0300		1. 0300		1. 0300		1. 0300			
--Tuesday			1. 0300		1. 0300		1. 0300		1. 0300			
--Wednesday			1. 0300		1. 0300		1. 0300		1. 0300			
--Thursday			1. 0300		1. 0300		1. 0300		1. 0300			
--Fri day	1. 0300		1. 0300		1. 0300		1. 0300		1. 0300	1. 0300		1. 1647
--Weekl y Average**	1. 0380		1. 0300		1. 0300		1. 0300		1. 0300			

* Monthly averages are a simple average of all the closes during the month. Weekly and monthly averages are independent calculations.

** Weekly averages are simple averages of the closes during the calendar week and are for information purposes. Should the week be split between two months, the weekly average will appear in the monthly report in which the Friday close is reported.

No monthly average calculated to avoid confusion with the average used by Federal orders.

OCTOBER 1999 DEIP BID ACCEPTANCES

ACCEPTANCE DATE	DESTINATION	QUANTITY (MT)	DEL. PERIOD	BONUS/MT
NONFAT DRY MILK				
JULY - SEPTEMBER 1999		46,271		
10/01	AFRICA & MIDDLE EAST	240	OCT-DEC	\$975
10/04	CARIBBEAN, CENT & S. AM	800	OCT-MAY	\$940
10/06	AFRICA & MIDDLE EAST	100	OCT-DEC	\$950
10/06	CARIBBEAN, CENT & S. AM	2,000	OCT-MAR	\$885
10/07	AFRICA & MIDDLE EAST	100	OCT-DEC	\$950
10/08	CARIBBEAN, CENT & S. AM	2,551	OCT-JAN	\$885.80
10/12	CARIBBEAN, CENT & S. AM	1,513	OCT-DEC	\$884.62
10/13	AFRICA & MIDDLE EAST	17	OCT-NOV	\$925
10/13	CARIBBEAN, CENT & S. AM	508	OCT-DEC	\$885
10/14	CARIBBEAN, CENT & S. AM	81	OCT-NOV	\$860
10/15	CARIBBEAN, CENT & S. AM	152	OCT-DEC	\$867.70
10/18	CARIBBEAN, CENT & S. AM	17	OCT-NOV	\$885
10/20	CARIBBEAN, CENT & S. AM	4	OCT	\$860
10/22	CARIBBEAN, CENT & S. AM	482	DEC-JUN	\$860
10/25	CARIBBEAN, CENT & S. AM	195	NOV-DEC	\$868.97
10/26	ASIA & FSU	500	NOV-JUN	\$885
10/27	CARIBBEAN, CENT & S. AM	237	NOV-FEB	\$874.80
10/27	AFRICA & MIDDLE EAST	50	NOV-DEC	\$900
10/29	AFRICA & MIDDLE EAST	504	DEC-MAR	\$885
OCTOBER 1 - 31, 1999		<u>10,051</u>		
WHOLE MILK POWDER				
JULY - SEPTEMBER 1999		2,076		
10/08	CARIBBEAN, CENT & S. AM	20	NOV-DEC	\$1,450
10/12	CARIBBEAN, CENT & S. AM	60	OCT-FEB	\$1,450
10/21	CARIBBEAN, CENT & S. AM	500	DEC-JUL	\$1,450
OCTOBER 1 - 31, 1999		<u>580</u>		
CHEESE				
JULY - SEPTEMBER 1999		882		
10/08-P	CARIBBEAN, CENT & S. AM	19	OCT-DEC	\$1,000
10/14-M	AFRICA & MIDDLE EAST	45	OCT-APR	\$773.33
10/15-M	AFRICA & MIDDLE EAST	2	OCT-JAN	\$900
10/28-P	CARIBBEAN, CENT & S. AM	6	OCT-NOV	\$450
OCTOBER 1 - 31, 1999		<u>72</u>		
C-CHEDDAR, G-GOUDA, M-MOZZARELLA, P-PROCESSED AMERICAN, CC-CREAM CHEESE, MJ-MONTEREY JACK, V - VARIETAL				
BUTTERFAT				
JULY - SEPTEMBER, 1999		<u>0</u>		
10/22-A	CARIBBEAN, CENT & S. AM	693	OCT-MAR	\$1,520
10/25-A	CARIBBEAN, CENT & S. AM	563	JAN-MAR	\$1,520
10/26-A	CARIBBEAN, CENT & S. AM	750	JAN-APR	\$1,520
OCTOBER 1 - 31, 1999		<u>2,006</u>		
A-ANHYDROUS MILKFAT, B-BUTTER				
TOTAL MT				PROGRAM TO DATE 61,938

Exporters of U.S. milk powder, butterfat and cheddar cheese are aided under the Dairy Export Incentive Program (DEIP), created by Food Security Act of 1985 and extended by the Food, Agriculture, Conservation, and Trade Act of 1990. Export sales are facilitated through payment of bonuses by the U.S. Department of Agriculture's Commodity Credit Corporation. Sales of dairy products will be made through normal commercial channels at competitive world prices. For further information call L.T. McElvain (202) 720-6211. Conversion: 1 metric ton (MT) = 2,204.6 pounds. **SOURCE: FOREIGN AGRICULTURAL SERVICE**

** On May 13, 1999, Sec. Glickman reallocated an additional 20,000 MT of NDM, 7,500 MT of Whole Milk Powder & 1,270 MT of Cheese for the current program year.

CCC PURCHASES OF DAIRY PRODUCTS

	FOR THE WEEK OF NOVEMBER 1 - 5, 1999			CUMULATIVE TOTALS		UNCOMMITTED INVENTORIES	
	TOTAL PURCHASES	CONTRACT ADJUSTMENTS	ADJUSTED PURCHASES	SINCE 10/01/99	SAME PERIOD LAST YEAR	PERIOD ENDING 10/29/99	SAME PERIOD LAST YEAR
BUTTER							
Bulk	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Packaged	-0-	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-	-0-
CHEESE							
Block	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Barrel	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Process	-0-	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-	-0-
NONFAT DRY MILK							
Nonfortified	988,013	-0-	988,013	5,771,521	103,384	-0-	41,465,000
Fortified	115,741	-0-	115,741	644,733	-0-	-0-	-0-
TOTAL	1,103,754	-0-	1,103,754	6,416,254	103,384	-0-	41,465,000

MILK EQUIVALENT, MILKFAT AND SKIM SOLIDS BASIS, OF ADJUSTED PURCHASES (MILLION POUNDS)

	MILKFAT* BASIS	SKIM** SOLIDS		MILKFAT* BASIS	SKIM** SOLIDS
WEEK OF NOVEMBER 1 - 5, 1999 =	0.2	12.8	COMPARABLE WEEK IN 1998 =	0.0	1.2
CUMULATIVE SINCE OCTOBER 1, 1999 =	1.4	74.7	CUMULATIVE SAME PERIOD LAST YEAR =	0.0	1.2
CUMULATIVE JANUARY 1 - NOVEMBER 5, 1999 =	42.3	2,239.2	COMPARABLE CALENDAR YEAR 1998 =	25.0	1,321.4

* Factors used for Milkfat Solids Basis: Butter times 21.80; Cheese times 9.23; and Nonfat Dry Milk times 0.22

**Factors used for Skim Solids Basis: Butter times 0.12; Cheese times 9.90; and Nonfat Dry Milk times 11.64

CCC ADJUSTED PURCHASES FOR THE WEEK OF NOVEMBER 1 - 5, 1999 (POUNDS)

	BUTTER			CHEESE			NONFAT DRY MILK	
REGION	BULK	PACKAGED	UNSALTED	BLOCK	BARREL	PROCESS	NONFORTIFIED	FORTIFIED
MI DWEST	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
WEST	-0-	-0-	-0-	-0-	-0-	-0-	988,013	115,741
EAST	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-

CCC ADJUSTED PURCHASES SINCE 10/1/99 AND SAME PERIOD LAST YEAR (POUNDS) AND MILK EQUIVALENT AS A PERCENT OF TOTAL

	BUTTER		CHEESE		NONFAT DRY MILK		MILK EQUIVALENT	
REGION	1999/00	1998/99	1999/00	1998/99	1999/00	1998/99	1999/00	1998/99
MI DWEST	-0-	-0-	-0-	-0-	-0-	-0-	0.0	0.0
WEST	-0-	-0-	-0-	-0-	6,416,254	103,384	100.0	100.0
EAST	-0-	-0-	-0-	-0-	-0-	-0-	0.0	0.0
TOTAL	-0-	-0-	-0-	-0-	6,416,254	103,384	100.0	100.0

SUPPORT PURCHASE PRICES FOR DAIRY PRODUCTS PRODUCED ON OR AFTER JANUARY 1, 1999MANUFACTURING MILK: Average Test 3.67% - \$9.90 per cwt.; 3.5% - \$9.80DOLLARS PER POUNDBUTTER: Bulk \$.6500; 1# Prints \$.6800CHEESE: 40 & 60# Blocks \$1.1000; 500# Barrels \$1.0700; Process American 5# \$1.1525; Process American 2# \$1.1925NONFAT DRY MILK: Nonfortified \$1.0100; Fortified \$1.0200; Instant \$1.1675Dairy Cow & Total Cow Slaughter under Federal Inspection, by Regions & U.S., for Week Ending 10/16/99 & Comparable Week 1998 1/2/

Regions*											U.S. TOTAL		% DAIRY OF ALL	
	1	2	3	4	5	6	7	8	9	10	WEEK SINCE JAN 1	WEEK SINCE JAN 1	WEEK SINCE JAN 1	WEEK SINCE JAN 1
1999-Dairy cows HD (000)	0.2	1.0	7.2	5.8	18.4	2.5	3.1	0.7	10.1	2.6	51.5	2,044.4	44.2	46.0
1998-Dairy cows HD (000)	0.3	1.3	6.5	5.8	16.2	2.5	3.1	0.7	8.5	2.6	47.3	2,111.2	42.4	45.4
1999-All cows HD (000)	0.2	1.2	10.0	14.1	25.8	19.8	20.6	3.8	13.3	7.6	116.5	4,440.5		
1998-All cows HD (000)	0.3	1.4	8.9	16.0	22.6	22.3	18.9	4.4	10.4	6.2	111.6	4,654.6		

SOURCE: The slaughter data are gathered and tabulated in a cooperative effort by the Agricultural Marketing Service, The Food Safety and Inspection Service, and the National Agricultural Statistics Service, all of USDA.

1/ States included in regions are as follows: Region 1--ME, NH, VT, CT, MA, and RI; Region 2--NY and NJ; Region 3--DE, PA, WV, VA, and MD; Region 4--KY, TN, NC, SC, GA, AL, MS, and FL; Region 5--MI, OH, IN, IL, WI, and MN; Region 6--TX, OK, NM, AR, and LA; Region 7--IA, NB, KS, and MO; Region 8--MT, WY, CO, UT, ND, and SD; Region 9--CA, NV, AZ, and HA; Region 10--ID, OR, and WA. 2/ Totals may not add due to rounding.

BASIC FORMULA PRICE (BFP), MAY 1995* TO DATE & HISTORIC M-W (3.5% BF, \$/CWT.)

YEAR	JAN.	FEB.	MAR.	APR.	MAY	JUN.	JUL.	AUG.	SEP.	OCT.	NOV.	DEC.
1994	12.41	12.41	12.77	12.99	11.51	11.25	11.41	11.73	12.04	12.29	11.86	11.38
1995	11.35	11.79	11.89	11.16	*11.12	11.42	11.23	11.55	12.08	12.61	12.87	12.91
1996	12.73	12.59	12.70	13.09	13.77	13.92	14.49	14.94	15.37	14.13	11.61	11.34
1997	11.94	12.46	12.49	11.44	10.70	10.74	10.86	12.07	12.79	12.83	12.96	13.29
1998	13.25	13.32	12.81	12.01	10.88	13.10	14.77	14.99	15.10	16.04	16.84	17.34
1999	16.27	10.27	11.62	11.81	11.26	11.42	13.59	15.79	16.26			